

**Lifespan/Physicians Professional Service Organization**  
**“The PSO”**  
**2009 Highlights**

**IPA Membership:**

Membership remains strong, reaching over 900 members for the first time: 40 at Newport PO, 635 at RIH IPA, and 237 at TMH IPA for a total of 912 members. 235 are primary care physicians.

**Practice Support:**

- Under the continued direction of our Education Coordinator, Cathy St. Laurent, we had another banner year with 750 people attending PSO courses and seminars. This compares with 550 attendees in FY '08 and 170 in FY '07.
- The PSO hosted the following CME activities during 2009:
  - Diagnostic Errors: Loss Prevention Strategies for the Office Practice
  - Quality in the Office
  - Fraud and Abuse and Compliance - Focus on Physicians
  - Red Flag Rules - What You Need to Know to be Compliant
  - Take Your Practice Digital: EMR Adoption
  - Advance Directives: Do You Know What Your Patients Would Want You to Do?
  - Designing an Office-Based Medical Practice Compliance Program
  - Emergency Preparedness
  - Stark Law Update
- We hosted Health Care Reform Meetings with our senators. 15 attendees met with Senator Sheldon Whitehouse at his office on August 17<sup>th</sup> and 49 met with Senator Jack Reed at Coro on November 16<sup>th</sup>.
- Courses offered throughout the year included: Medical Coding, the First Steps; Certified Professional Coding; Physician Chart Auditor and the Certified Evaluation and Management Coder Specialty.
- A wide array of education events were held throughout the year. The sessions included: Contracting Fundamentals (Sessions I and II), CPT Changes for 2009, Lunch with William Kassler, M.D., Chief Medical Officer of CMS NE Region, IHI Web & Action: Using Practical Tools and Methods to Create an Efficient Office Practice (Sessions I, II and III), ePrescribing Webcast, NHIC Transition Information Session, Documentation Training, CPC ½ Day Refresher Seminar, Protecting Your Practice From Internal Theft, PQRI and ePrescribing Update with William Kassler, M.D., Controlling and Managing Costs to Improve the Bottom Line, A Review of the New Security and Privacy Measures Introduced in the HITECH Act, Perils of Electronic Communication Between Providers and Patients, Medical Home Seminar, LifeLinks 401, OIG Work Plan and RAC Audit Seminar and Health Care Reform: An Up-to-Date Review of State and Federal Legislation. The PSO also hosted 22 American Academy of Professional Coders audio conferences including Complete 2010 Updates and Top Ten Errors to Avoid for a variety of specialties (visit [www.mdpsso.com](http://www.mdpsso.com) for a full listing of AAPC Audio Conferences offered in 2010).
- The Customer Service Training Series was offered for the second year in a row. Sessions included Telephone Etiquette, Dealing with Difficult People, Restoring Customer Confidence, and Talking Money with Patients. The entire series was also offered and well attended as a ½ day seminar.
- The 2<sup>nd</sup> Annual Physicians Claims Workshop was held to assist PSO members in settling outstanding insurance problem claim issues. 31 attendees met with representatives from 11 payers.

- The biennial PSO Vendor Fair had 24 vendors represented and was modestly attended by 31 individuals. Issues were raised this year regarding the appropriateness of inviting vendors onto the Lifespan campus (55 Claverick Street) and the fact that a recently adopted Lifespan policy does not allow this type of event. We will not be having general vendor fairs going forward.
- The PSO hosted 5 Practice Managers Network Group (PMNG) Meetings. Topics included: Red Flag Rules; Lifespan Risk Management; a meeting with Chris Koller, Rhode Island Health Insurance Commissioner; Coventry Health Care Presentation; and an Overview of Risk Management. Attendance at the PMNG has been variable, depending on the subject. The stalwarts of the PMNG pointed out that many topics which had traditionally been covered at these meetings were now course and seminar offerings. Networking, due to the format and time of the meetings, should also be improved. With this input, we took the last quarter of the year to revise the format for 2010.

**Billing:**

- We are now billing for 72 physicians and 53 non-physician clinicians.
- During FY 2009 we billed total charges of \$25,325,543, a 9% increase over FY 2008.
- As part of our benchmarking project, where our goal was to beat the top performing groups in the Medical Group Management Association database on accounts receivable measures, we did very well with community based practices. This was a very rigorous project that involved the entire billing department and will continue into 2010.
- The PSO Billing Center added the eClinicalWorks (eCW) system to its offerings. We now use the eCW system to perform billing services for three accounts/six providers.
- We entered into a contract with a new collections agency. The new agreement provides for a more responsive and proactive relationship between the PSO Billing Center and our customers.
- All of the Billing Center hardware was upgraded in 2009.

**Credentialing Center:**

- In early 2009, the PSO established a Credentialing Center to provide insurance credentialing (initial and re-credentialing) services free of charge to PSO billing clients and for a modest fee to other physicians. Corinne Collier is the Credentialing Coordinator. The Center ended the year with 29 physician clients.
- In addition to insurance credentialing, Corinne continues to be responsible for initial membership credentialing and recredentialing of members of our three IPA's. We meet National Committee for Quality Assurance standards, which is critical to our delegated contracting agreements with Tufts, Great West and MultiPlan/PHCS.
- The Credentialing Center and key members of the Practice Managers Network Group worked with the Insurance Commissioner to improve provider/insurer relationships.

**Information Services:**

- We provided front line support for over 1,200 PCs and printers on the PSO wide area network (WAN).
- We added 44 eCW Application Service Provider (ASP) users, bringing us to 129 eCW ASP users (not including non-physician clinicians and support staff) and 289 Medical Manager ASP users (including all practitioners and users).

- In cooperation with Lifespan Corporate Services (LCS) Information Services (IS), we completed the testing and validation of eCW Version 8, a major enhancement, and coordinated the upgrade of all ASP users.
- In conjunction with LCS, IS and eCW's ASP team, we completed a hardware specification for migration of the eCW ASP environment to VMware. The ASP environment is now configured with state-of-the-art technology, providing enhanced system performance, ease of expansion as needed, and a solid disaster recovery plan.
- We have evaluated eCW's EHX system which will allow us to offer connectivity and sharing of clinical data between offices utilizing different EMR systems, as well as those who do not yet have EMR. This project will be a major focus of our efforts in 2010.
- The IS department evaluated and tested both the Windows Vista and Windows 7 operating systems. We now support both operating systems on PCs connected to our WAN in remote offices.
- The PSO remains an active member of Electronic Health Records of Rhode Island (EHRRI). With the departure of Dr. Mark Jacobs from Coastal Medical and Rhode Island, Dr. Joel Kaufman became board chair in early summer. Bill Florio joined the board, replacing Dr. Andrew Snyder. The last third of the year was spent on contentious governance issues, as well as the need to get a better handle on financial reporting. Note that throughout all of this, EHRRI staff continued (and continues) to provide excellent service and meet organizational objectives. eCW has lent an experienced staffer several days a week to assist with increased inquiries and perform other sales functions.
- To comply with the Federal Government's regulations, we adopted and implemented a Red Flag policy.
- We evaluated and certified a Voice-over Internet Protocol (VOIP) telephone system. We now have the ability to offer this low-cost telephone service to physician offices as an alternative to traditional telephone systems.
- We worked closely with eCW to develop and implement a cohesive support methodology. This arrangement specifies policies, key individuals for escalation, and collaboration for major upgrade projects.
- We worked with the eCW Interface Team to create a delivery mechanism for the Lifespan laboratory and radiology interfaces for all ASP users. These interfaces will be delivered as a standard offering for all ASP users.
- We implemented a central fax solution for all eCW ASP users. This service will eliminate the need for individual offices to maintain their own fax servers, which have historically been a problem for offices using eCW.

#### **Contracting and Payer Relations:**

- **Neighborhood Health Plan of Rhode Island and Beacon Health Strategies:** We finalized multi-year agreements for each of the individual Lifespan partner hospitals which included Mental Health services, employed professional provider services, and the RIH ambulance service.
- **UnitedHealth Care (UHC) of New England and United Behavioral Health (UBH):** We finalized three year agreements effective July 1, 2009 for all products for the Lifespan partner hospitals and employed clinicians, including behavioral health services. This was the first time that we negotiated professional provider services for over 250 employed clinicians with UHC and UBH. We also finalized an agreement with United Resource Network for kidney, pancreas and simultaneous kidney/pancreas services for the UHC membership.

- **BCBSRI:** We continue to work on contract implementation matters, such as rate methodology changes. This year we implemented inpatient case rates for the Medicare product for both RIH and TMH.
- **The Blue Cross Blue Shield Association** added The Blue Distinction Center for Knee and Hip Replacement and the BD Center for Spine Surgery for Rhode Island and The Miriam Hospitals. Additionally we assisted in completing the 2009-2010 Blue Distinction Centers for Cardiac Care program applications to enable continuation in those programs for both RIH and TMH.
- **Tufts Health Plan:** We also formalized an agreement between Tufts and Lifespan Home Medical for durable medical equipment, worked diligently to revise the outpatient reimbursement methodology, and began to negotiate a newly updated contract, which will represent a Physician Hospital Organization (PHO) agreement to include all contracted service lines available at the Lifespan partner hospitals.
- **Life PACT** (the RIH ambulance service): The PSO has negotiated contracts for ambulance services with BCBSRI, Harvard Pilgrim HealthCare, Tufts and UnitedHealth Care.
- The Contracting and Payer Relations Department worked with many other insurers on hospital issues including: **Neighborhood Health Plan of Massachusetts** (a simple letter of agreement), **Aetna** (extended terms), **Boston Medical Center, Coventry Health Care PPO, PACE of RI,** and **Harvard Pilgrim Health Care** (rates and Lifespan Home Medical agreement).

#### **Results of Operations and Financial Position:**

- For the year ended 9/30/09, the net loss from operations was \$(31,440) vs. budgeted net income of \$320. The loss reflects our error in not budgeting fees for ASP hosting services. Revenue from practice support billing and information services was quite good for the year.
- On 9/30/09 the PSO had \$334,322 in cash and cash equivalents, compared to \$389,673 at 9/30/08. The decrease was due mainly to accounts receivable growth.
- Fortunately, the PSO financials have been pretty straightforward for the last several years. The board elected to act as the Finance Committee at this time.

#### **Staff Achievements and Changes:**

- Dr. Linda Snelling stepped down from the PSO board after serving for approximately 9 years, the last year as chair of the PSO finance committee.
- Dr. Kathleen Hittner, Senior Vice President of Community Affairs for Lifespan, rejoined the Board.
- Dr. Marilyn Weigner stepped down from the PSO Board of Directors, but continues to serve on the RIH IPA Board.
- The PSO Billing Department has added one Billing Clerk, Alicia Terraro.
- Five members of the Billing Department took the Physicians Chart Auditing Certification class and are now certified in Evaluation and Management Services-Chart Auditing: Kristen Giles, Jen Foglia, Tina Plante, Wendy Berthelette and Jen Musa.
- Four Billing Specialists passed the Certified Professional Coder (CPC) exam: Delia Fitzgerald, Kim Stachow, Sarah St. Germain and Lisa Hanley
- Jim Florio and Corinne Collier were among the founders of the Lifespan Young Professionals Group.